

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

General Purpose Financial Statements  
With Independent Auditors' Report  
As of and for the Year Ended December 31, 1991  
With Supplemental Information Schedule

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JUN 10 1992

Under provisions of state law this report is a public document. A copy of the report has been furnished to the entity and other appropriate public officials. The report is available for public inspection at the Golden Ploage office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/16/92

**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

General Purpose Financial Statements  
With Independent Auditors' Report  
As of and for the Year Ended December 31, 2002  
With Supplemental Information Schedules

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CAMERON PARISH  
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Under provisions of state law, this report is a public document. Copies of the report are being furnished to the courts and other appropriate public officials. The report is available for public inspection at the House Rouge office of the Legislative Public and, where appropriate, at the office of the parish clerk of court.

Release Date: 9/14/03

**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

General Purpose Financial Statements  
With Independent Auditors' Report  
As of and for the Year Ended  
December 31, 2012  
With Supplemental Information Schedule

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**LITTLE & ASSOCIATES**  
CERTIFIED PUBLIC ACCOUNTANTS

**Independent Auditors' Report**

Wm. FRED LITTLE, CPA  
JAMES C. BOND, CPA  
CHARLES S. BARNHARTMAN, JR., CPA

**SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana**

We have audited the general purpose financial statements of Sewerage District No. 1 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of December 31, 2002, and for the year then ended, as listed in the table of contents. These general purpose financial statements are the responsibility of Sewerage District No. 1's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U. S. generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of Sewerage District No. 1 of Cameron Parish, as of December 31, 2002, and the results of its operations and its cash flows for the year then ended in conformity with U. S. generally accepted accounting principles.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The supplemental information schedule listed in the table of contents is presented for the purpose of additional analysis and is not a required part of the general purpose financial statements of Sewerage District No. 1 of Cameron Parish. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is fairly stated in all material respects in relation to the general purpose financial statements taken as a whole.

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Independent Auditors' Report  
December 31, 2002

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2003, on Sewerage District No. 1 of Cameron Parish's compliance with certain laws, regulations, contracts and grants, and on our consideration of the district's internal control over financial reporting. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

*Little & Brevint*

Monroe, Louisiana  
June 24, 2003

**GENERAL PURPOSE FINANCIAL STATEMENTS  
(OVERVIEW)**

**SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH**  
**Cameron, Louisiana**  
**PROPRIETARY FUND TYPE - ENTERPRISE FUND**

Balance Sheet  
 December 31, 2002

**ASSETS**

## Current assets:

Cash and cash equivalents	\$980,521
Receivables	213,168
Due from Waterworks District No. 1 of Cameron Parish	<u>6,295</u>
Total Current Assets	1,199,984

## Restricted assets - cash and equivalents

Property, plant and equipment (net of accumulated depreciation)	3,562
	<u>1,176,613</u>

**TOTAL ASSETS** **\$3,376,778**

**LIABILITIES AND FUND EQUITY**

## Liabilities:

## Current liabilities:

Accounts payable	\$19,788
Contract Retainage Payable	10,993
Deferred revenue	789
Due to Waterworks District No. 1 of Cameron Parish	30,882
Payable from restricted assets - customer deposits	<u>1,282</u>
Total Current Liabilities	63,654

## Long-term liabilities - compensated absences

Total Liabilities	<u>17,894</u>
-------------------	---------------

## Fund Equity:

Contributed capital (net of amortization)	1,587,741
Retained earnings - Unreserved	<u>1,713,623</u>
Total Fund Equity	<u>3,301,364</u>

**TOTAL LIABILITIES**  
**AND FUND EQUITY** **\$3,376,778**

The accompanying notes are an integral part of this statement.

SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana  
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement of Revenues, Expenses, and  
Changes in Retained Earnings  
For the Year Ended December 31, 2002

<b>OPERATING REVENUES</b>	
Sewerage fees	\$226,672
Other	1,347
Total operating revenues	<u>228,019</u>
<b>OPERATING EXPENSES</b>	
Personal services	96,322
Operating services	99,624
Materials and supplies	28,216
Depreciation	67,625
Total operating expenses	<u>291,787</u>
<b>OPERATING LOSS</b>	<u>(63,768)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>	
Ad valorem taxes	199,146
Federal grant	369
Intergovernmental: state revenue sharing	1,714
Interest earnings	14,828
Total nonoperating revenues (expenses)	<u>215,857</u>
<b>NET INCOME</b>	154,369
Add depreciation on fixed assets acquired with contributed capital	<u>33,254</u>
<b>INCREASE IN RETAINED EARNINGS</b>	206,823
<b>RETAINED EARNINGS AT BEGINNING OF YEAR</b>	<u>1,587,600</u>
<b>RETAINED EARNINGS AT END OF YEAR</b>	<u>\$1,712,623</u>

The accompanying notes are an integral part of this statement.



SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana  
PROPRIETARY FUND TYPE - ENTERPRISE FUND

Statement C

Statement of Cash Flows  
For the Year Ended December 31, 2002

**CASH FLOWS FROM OPERATING ACTIVITIES**

Operating loss	(\$81,118)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation	67,025
Changes in assets and liabilities:	
Decrease in receivables	2,776
Decrease in amount due from Waterworks District No. 1	199,800
Increase in amount due to Waterworks District No. 1	39,882
Decrease in accounts payable	(1,873)
Decrease in deferred revenue	(5,487)
Increase in compensated absences	1,817
Total adjustments	<u>282,140</u>
Net cash provided by operating activities	<u>201,022</u>

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Ad valorem taxes	262,808
Federal grant	569
State revenue sharing	<u>1,902</u>
Net cash provided by noncapital financing activities	<u>265,279</u>

**CASH FLOWS FROM CAPITAL FINANCING ACTIVITIES**

Acquisition of fixed assets	<u>(284,755)</u>
Net cash used from capital financing activities	<u>(284,755)</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest earnings	<u>14,858</u>
Net cash provided by investing activities	<u>14,858</u>

Net increase in cash and equivalents 22,007

CASH AND EQUIVALENTS AT BEGINNING OF YEAR 754,244

CASH AND EQUIVALENTS AT END OF YEAR 776,251

The accompanying notes are an integral part of this statement.

**SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH**  
**Cameron, Louisiana**

**Notes to the Financial Statements**  
**As of and For the Year Ended December 31, 2002**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Sewerage District No. 1 of Cameron Parish was created by the Cameron Parish Police Jury, as authorized by Louisiana Revised Statute 33:3881. The district is governed by the Cameron Parish Sewerage and Water Board for District No. 1, as authorized by Act 818 of 1990. The board is comprised of seven members who are appointed by the police jury. The district is responsible for providing sewer service to users within the boundaries of the district.

**A. REPORTING ENTITY**

As the governing authority of the parish, for reporting purposes, the Cameron Parish Police Jury is the financial reporting entity for Cameron Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 34 established criteria for determining which component units should be considered part of the Cameron Parish Police Jury for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and:
  - a. The ability of the police jury to impose its will on that organization and/or
  - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Because the police jury appoints all board members of the district and can impose its will on the district, the district was determined to be a component unit of the Cameron Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the district and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

## **B. FUND ACCOUNTING**

Sewerage District No. 1 of Cameron Parish is organized and operated on a fund basis whereby a self-balancing set of accounts (Enterprise Fund) is maintained that comprises its assets, liabilities, fund equity, revenues and expenses. The operations are financed and operated in a manner similar to a private business enterprise, where the intent of the governing body is that the cost (expenses, including depreciation) of providing services on a continuing basis be financed or recovered primarily through user charges.

As a proprietary activity, the District applies all applicable pronouncements by the Governmental Accounting Standards Board (GASB), as well as those pronouncements by the Financial Accounting Standards Board (FASB), Accounting Principles Board, and the Committee on Accounting Procedure issued prior to November 30, 1989. The District also applies all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with, or contradict, GASB pronouncements, that are developed for business enterprises.

## **C. FIXED ASSETS**

Fixed assets of the district are included on the balance sheet of the fund. Depreciation of all exhaustible fixed assets are charged as an expense against operations. Depreciation is computed using the straight-line method over the estimated useful lives of the assets, which is 5 to 10 years for equipment, 25 years for buildings, and 40 years for the sewerage system.

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements (Continued)

**D. BASIS OF ACCOUNTING**

Basis of accounting refers to when revenues and expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The Enterprise Fund is reported in the accompanying financial statements on the accrual basis of accounting. Revenues are recognized when they are earned. Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are assessed. Ad valorem taxes are assessed on a calendar year basis, become due on November 15 of each year, and become delinquent on December 31. Ad valorem taxes are generally collected in December of the current year and January and February of the ensuing year. Water service charges are levied as of the twenty-fifth day of each month, and billings are distributed to customers before the last day of each month. Amounts for unbilled services from the twenty-sixth day of the month through the end of December are considered immaterial and are not included in the accompanying financial statements. Expenses are recognized when incurred.

**E. CASH AND CASH EQUIVALENTS**

Under state law, the district may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the union, or the laws of the United States. The district may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2002, the district had a non-cash capital financing activity transaction; whereby, the district incurred a contract remaining payable through the acquisition of fixed assets.

At December 31, 2002, the district has cash and cash equivalents (bank balances) totaling \$980,321, as follows:

Demand deposits	\$1,845
Time deposits	<u>978,476</u>
Total	<u>\$980,321</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits, or the resulting bank balances, must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. Bank balances at December 31, 2002, are secured as follows:

Bank balances	<u>\$980,321</u>
Federal deposit insurance	<u>\$191,388</u>
Pledged securities (uncollateralized)	<u>2,491,789</u>
Total	<u>\$2,563,498</u>

Because the pledged securities are held by a custodial bank in the name of the fiscal agent bank

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements (Continued)

rather than the name of the district, they are considered uncollateralized (Category 3) under the provisions of GASB Codification C20.106; however, Louisiana Revised Statute 19:1229 imposes a requirement on the custodial bank to advertise and sell pledged securities within 10 days of notification by the district that the fiscal agent's failure to pay deposited funds upon demand.

For the purposes of the Statements of Cash Flows, cash and cash equivalents includes all demand accounts and unrestricted, highly liquid investments (certificates of deposit and money market accounts) with a maturity date of three months or less when purchased.

The District eliminated the requirement for customer utility deposits during 1997. At that time active customers' deposits with the District totaled \$2,362, the amount of restricted cash and cash equivalents represented in the balance sheet.

#### **F. COMPENSATED ABSENCES**

Employees may accumulate from 5 to 25 days of vacation leave each year, depending on their length of service with the district. Vacation leave can be accumulated without limitation. Upon resignation or retirement, unused vacation leave is paid to the employee at the employee's current rate of pay. Employees may accumulate 12 to 18 days of sick leave each year, depending on their length of service. Sick leave may be accumulated without limitation. Any unused sick leave is forfeited by the employee at time of resignation. Upon retirement, unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with the GASB Codification Section C60, is recorded as a long-term liability on the balance sheet of the Enterprise Fund. The cost of leave privileges, computed in accordance with the preceding codification, is recognized as a current year expense of the Enterprise Fund when leave is earned.

#### **G. RISK MANAGEMENT**

The district is exposed to various risk of loss related to torts, thefts of, damage to, and destruction of assets; errors and omissions; and injuries to employees. To handle such risk of loss, the district maintains commercial insurance policies covering, automobile liability; surety bond coverage; and property and flood insurance. In addition to the above policies, the district maintains a general liability policy and an errors and omissions policy. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amount.

To cover its risk associated with injuries to employees, the district participates in the police jury's self-insurance program, whereby up to \$225,000 per occurrence is self-insured. Claims over and above this amount are insured through insurance coverage.

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

2. LEVIED TAXES

The district has an authorized tax ceiling of 7.22 mills, equal to the levied ceiling, which is restricted, by tax proposition, to operation and maintenance of the sewer system. The tax is due to expire with the 2008 tax roll.

The following are the principal taxpayers for the parish and their 2002 assessed valuation (amounts expressed in thousands):

	2002 Assessed Valuation	Percent of Total Assessed Valuation
Omega Protein, Inc.	\$5,038	1.04%
Esco Marine Company	2,908	1.39%
Cameron Telephone	1,824	1.09%
Tron Marine Assets, Inc.	1,538	0.90%
Tenneco, Inc.	1,257	0.85%
Starad Drilling Fluids, Inc.	1,168	0.79%
Candy Cap LP, XIV	1,139	0.59%
Candy Cap LP, XVIII	1,139	0.56%
Hibernia National Bank	968	0.65%
Ambur Drilling Fluids LP, LLP	818	0.52%
Total	<u>\$14,739</u>	<u>9.96%</u>

3. RECEIVABLES

At December 31, 2002, the district has receivables of \$213,162, as follows:

	Total
Sewerage fees	\$18,857
Ad valorem taxes	193,186
State revenue sharing	<u>1,142</u>
Total	<u>\$213,162</u>

The district has no allowance for bad debts. Receivables for sewer fees are written off when they are deemed uncollectible. When a customer is more than 60 days in arrears, water service is discontinued.

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana  
Notes to the Financial Statements (Continued)

#### 4. FIXED ASSETS

A summary of fixed assets at December 31, 2002, follows:

	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Total</u>
Land	\$42,000		\$42,000
Buildings and equipment	70,687	\$42,946	27,741
Sewerage system	3,382,962	1,279,178	2,103,784
Total	<u>\$3,495,649</u>	<u>\$1,322,124</u>	<u>\$2,173,525</u>

#### 5. PENSION PLAN

Substantially all employees of the sewerage district are members of the Parochial Employees Retirement System of Louisiana (System), a multiple-employer (cost-sharing), defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. Employees of the district are members of Plan A.

All permanent employees working at least 28 hours per week who are paid wholly or in part from parish funds and all elected parish officials are eligible to participate in the System. Under Plan A, employees who retire at or after age 60 with at least 15 years of creditable service, at or after age 55 with at least 25 years of creditable service, or at any age with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 per cent of their final-average salary for each year of creditable service. However, for those employees who were members of the supplemental plan only before January 1, 1980, the benefit is equal to one percent of final-average salary plus \$24 for each year of supplemental-plan-only service earned before January 1, 1980. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Parochial Employees' Retirement System, Post Office Box 14618, Baton Rouge, Louisiana 70898-4618, or by calling (504) 938-1361.

Under Plan A, members are required by state statute to contribute 9.5 percent of their annual covered salary and the district is required to contribute at an actuarially determined rate. The current rate is 7.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge Parishes) of the taxes shown to be collectible by the tax rolls of

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Notes to the Financial Statements (Continued)

each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the district are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:185, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The district's contributions to the System under Plan A for the years ending December 31, 2002, 2003, and 2004, were \$3,538, \$5,973, and \$4,875, respectively, equal to the required contributions for each year.

**6. CONTRIBUTED CAPITAL**

The sewerage district received grants of \$1,303,572 from the United States Environmental Protection Agency, \$256,090 from the Farmers Home Administration and \$1,813,588 from the Cameron Parish Police Jury over various years for construction of the sewerage system. The contributed capital is being amortized over the 34-year life of the fixed assets acquired with the contributions. At December 31, 2002, accumulated amortization is \$969,825.

**7. LITIGATION AND CLAIMS**

The District is not aware of any lawsuits, contingency losses, or pending claims.

**8. CONSOLIDATION OF DISTRICTS**

During the year ended December 31, 2002, the Board of Commissioners received approval from the Cameron Parish Police Jury and the Louisiana Legislature to consolidate Sewerage District No. 1 of Cameron Parish with Waterworks District No. 1 of Cameron Parish. In July 2002, the voters of the District approved the consolidation and the combining of the tax levies.



## **SUPPLEMENTAL INFORMATION SCHEDULE**

SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, Louisiana

SUPPLEMENTAL INFORMATION SCHEDULE  
For the Year Ended December 31, 2002

**PER DIEM PAID COMMISSIONERS**

The schedule of per diem paid to commissioners is presented in compliance with House Concurrent Resolution No. 54 of the 1979 Session of the Louisiana Legislature.

As provided by Louisiana Revised Statutes 33:3819 and 33:4067, Sewerage District No. 1 of Cameron Parish commissioners received \$60 for each meeting attended. Act 818 of 1990 (Louisiana Revised Statute 33:4067) created the Cameron Parish Sewerage and Water Board for District No. 1 as the governing authority of Cameron Parish Sewerage District No. 1 and Cameron Parish Waterworks District No. 1. As reflected on the schedule of per diem paid commissioners, one half of the per diem for each meeting attended is paid out of Sewerage District No. 1 of Cameron Parish.

## Schedule 1

SEWERAGE DISTRICT NO. 1 OF CAMERON PARISH  
Cameron, LouisianaSchedule of Per Diem Paid Commissioners  
For the Year Ended December 31, 2002

	<u>Amount</u>
J. C. Murphy	\$570
Verge Hobert	540
Ronald January	540
Bench Willis	540
Chris Hobert	270
Bobbie Dancy	450
Tammy Pothoff	<u>510</u>
Total	<u>\$3,420</u>

**Independent Auditors' Report Required  
by Government Auditing Standards**

The following Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards are presented in compliance with the requirements of Government Auditing Standards, issued by the Comptroller General of the United States, and the Louisiana Governmental Audit Guide, issued by the Society of Louisiana Certified Public Accountants and the Louisiana Legislative Auditor.



## **LITTLE & ASSOCIATES**

**CERTIFIED PUBLIC ACCOUNTANTS**

***Independent Auditors' Report on Compliance and on  
Internal Control Over Financial Reporting  
Based on an Audit of Financial Statements  
Performed in Accordance With Government Auditing Standards***

5001 TOWN LITTLE, CPA  
JAMES E. BROWN, CPA  
CHARLES E. KATHAMANN, JR., CPA

**SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana**

We have audited the general purpose financial statements of Sewerage District No. 1 of Cameron Parish, a component unit of the Cameron Parish Police Jury, as of and for the year ended December 31, 2002 and have issued our report thereon dated June 24, 2003. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

### **Compliance**

As part of obtaining reasonable assurance about whether Sewerage District No. 1 of Cameron Parish's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial amounts. However, providing an opinion on compliance with these provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

### **Internal Control Over Financial Reporting**

In planning and performing our audit, we considered Sewerage District No. 1 of Cameron Parish's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH

Cameron, Louisiana

Independent Auditors' Report on Compliance

And Internal Control Over Financial Reporting, etc.

December 31, 2002

Exclusions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the members of the Sewerage District No. 1 of Cameron Parish, management of the district, the Louisiana Legislative Auditor, federal awarding agencies, and pass-through-entities and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

*Little & Associates*

Monroe, Louisiana

June 24, 2003

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Schedule of Findings and Questioned Costs  
For the Year Ended December 31, 2002

**A. SUMMARY OF AUDIT RESULTS**

1. The Auditors' report expresses an unqualified opinion on the general purpose financial statements of Sewerage District No. 1 of Cameron Parish.
2. No instances of noncompliance material to the financial statements of Sewerage District No. 1 of Cameron Parish were disclosed during the audit.
3. No reportable conditions relating to the audit of the financial statements are reported in the *Independent Auditors' Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards*.

**B. FINDINGS - FINANCIAL STATEMENTS AUDIT**

None

SEWERAGE DISTRICT NO. 1  
OF CAMERON PARISH  
Cameron, Louisiana

Summary Schedule of Prior Audit Findings  
For the Year Ended December 31, 2002

There were no audit findings reported in the audit for the year ended December 31, 2002.